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**Review of 1H13 Results  
August 16, 2013**

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**Women, Health and Decoration**



**Economy, News and Law**



**People, Youth, Travel and Life Style**



**Information Technology and Computers**

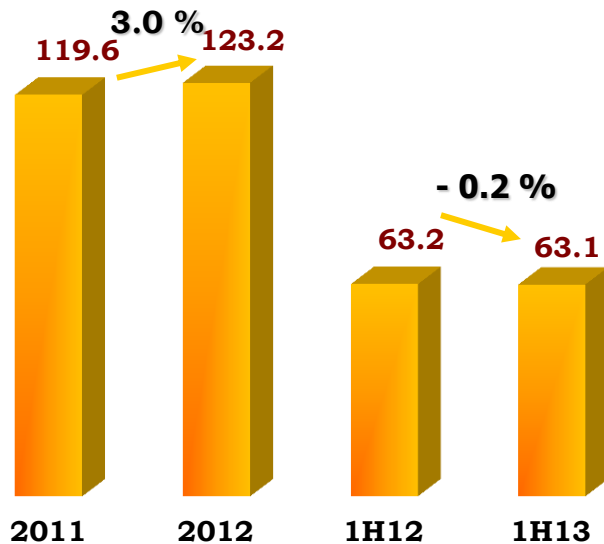


**Hobbies, Cooking and Special Interest**

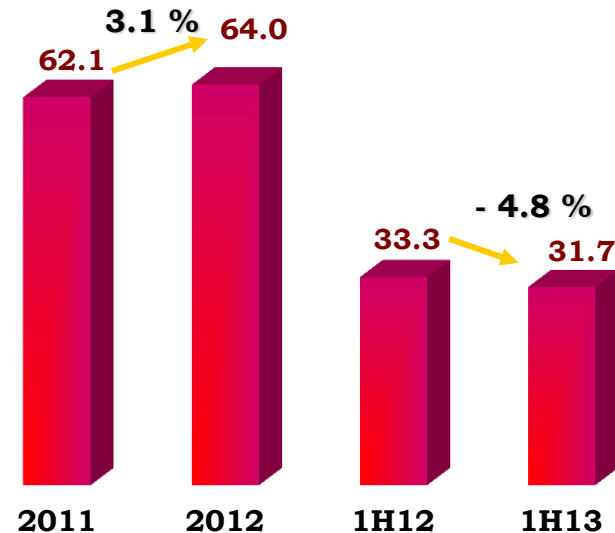


- Turkish magazine ad market decreased slightly by 0.2% yoy to TL 63.1 mn in 1H13.
- Doğan Burda’s overall ad sales volumes were slightly below the level of 1H12 , due to shift of some events and spin-offs.
- Reported Ad Revenues stood at TL 31.7 mn, down by 4.8 % vs. 1H12.

**Magazine Advertising - Turkey (TLm)**



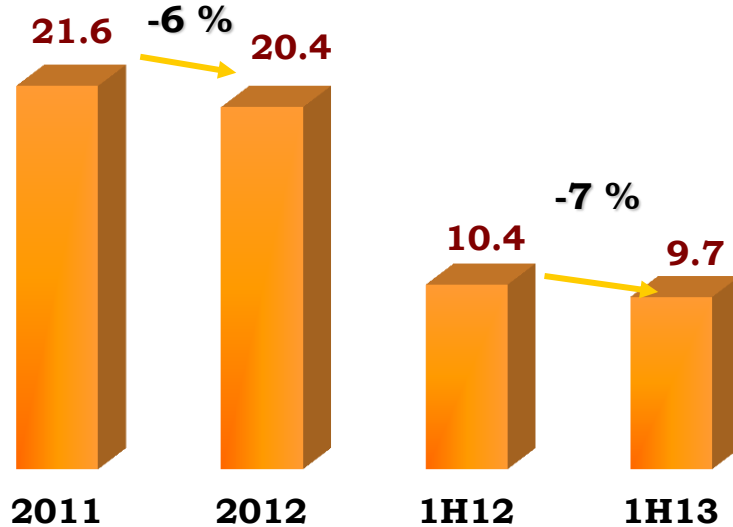
**Doğan Burda Advertising Revenues (TLm)\***



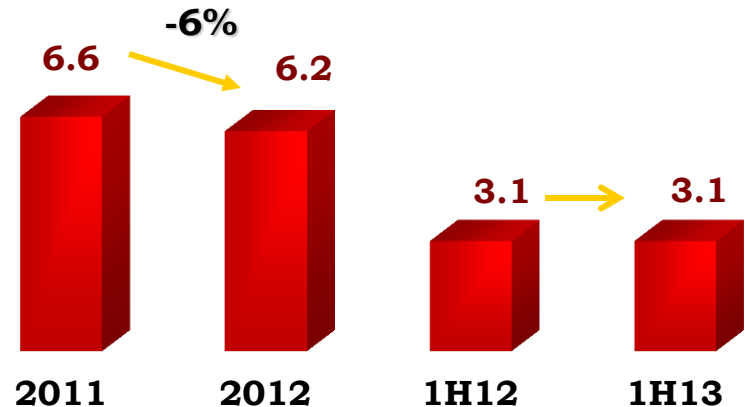
\* Ad revenues = Reported ad revenues plus IAS adjustments & reclassifications.

- Doğan Burda remains the market leader in magazine circulation with around 32% share.
- Dogan Burda's circulation figures in 1H13 remained at the same level attained in 1H12 ; vs. 7% contraction in total market.

**Total Net Circulation Units – Turkey (Units m)**

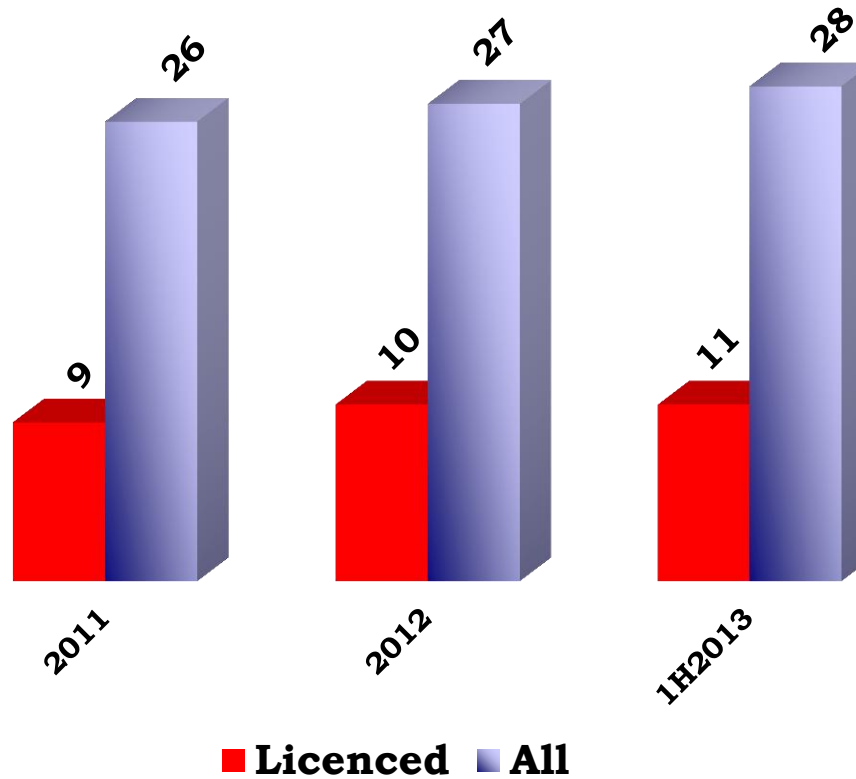


**Dogan Burda Net Circulation (Units m)**



## Number of Magazines (Period end)

▪ Following the successful launch of «Popular Science» magazine in May'12, internationally well-known Geo was launched in Mar'13 with editorial supplement Geo Saison.



- Internationally well-known Geo was launched in Mar'13 with the stand-alone brand « Geo Saison» as editorial supplement.
- Successful seasonal brands continued to add value in 1H13, main brands' various seasonal magazines launched during the period.
- Dogan Burda's tablet store ' Dergi Burada' is active since Mar'13.
- Around 6 mn UMV in total web sites, up by 8% yoy.
- On May 28, 2013, the Annual General Meeting approved the distribution of TL 0.39/share gross cash dividend (total gross TL 7.6 mn), and dividend distributed on May 30, 2013.



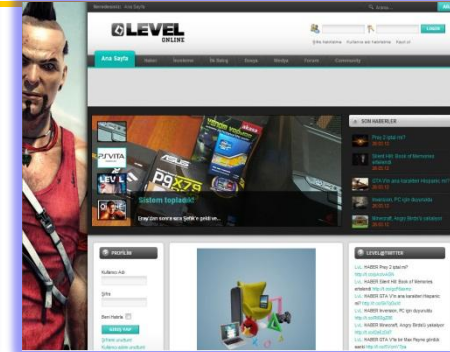
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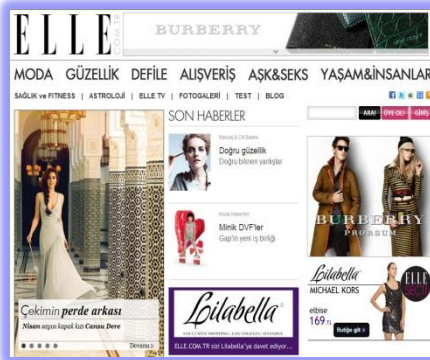
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- iPad App of **ELLE Magazine** has been launched. The app has been downloaded 55.000 times so far.
- **Nexxt**, a tablet-only CE magazine, has been launched (bi-weekly)
- Lezzet cooking recipes will be provided in the next version of Microsoft Windows.
- **Lezzet iPad** and **iPhone** applications have reached 180.000 downloads in total.
- Elele Online ([www.elele.com.tr](http://www.elele.com.tr)) has been relaunched and reached monthly 900K UVs
- **All magazines are available on Tablets.** Total number of monthly downloads is close to 100.000.
- **On web sites approximately 5.7 mn** monthly unique visitors in total.



- Net sales were down slightly to TL 49.6 mn, due to shift of some events & spin-offs mainly in June.
- Tight cost control kept COGS broadly stable.
- EBITDA declined to TL 3.95 mn, as a result of shift in ad revenues and higher operating expenses due to launch & projects expenditures.

Million TL	FY12	1H12	1H13	Ch.%
Net Sales	101.50	50.58	49.61	(1.9)
Cost of Goods Sold	56.58	27.86	28.29	1.6
Operating Exp.	34.37	16.90	18.05	6.8
Operating Profit/(Loss)	9.74	4.76	3.48	(26.9)
EBITDA*	11.84	6.50	3.95	(39.3)
Net Profit/(Loss)	7.08	3.27	2.73	(16.5)

(\*) Operating profit /loss in FY12 have been reclassified in accordance with the Turkish Accounting Standards and Turkish Financial Reporting Standards under the Capital Markets Board's ("CMB").

(\*\*) Adjusted EBITDA by net IAS 39 impact and excluding other operational income/(exp.).

- Despite stable COGS, ad revenue shifts negatively effected gross margin.

Million TL	FY12	1H12	1H13	Ch.%
<b>Total Revenues</b>	<b>101.50</b>	<b>50.58</b>	<b>49.61</b>	<b>(1.9)</b>
Advertising	61.78	32.04	30.62	(4.5)
Circulation	36.81	17.40	17.01	(2.2)
Other	2.91	1.14	1.98	73.5
<b>Total COGS</b>	<b>56.58</b>	<b>27.86</b>	<b>28.29</b>	<b>1.6</b>
Production Costs	42.20	20.89	21.23	1.6
Depreciation	0.37	0.18	0.20	10.8
Other Costs	14.01	6.78	6.86	1.1
<b>Gross Profit</b>	<b>44.91</b>	<b>22.73</b>	<b>21.32</b>	<b>(6.2)</b>
<b>Gross Margin</b>	<b>44.25</b>	<b>44.93</b>	<b>42.97</b>	<b>2.0</b>

▪ **Launch & project expenses led to a rise in operating expenses.**

Million TL	FY12	1H12	1H13	Ch.%
<b>Total Operational Exp.(-)</b>	<b>34.37</b>	<b>16.90</b>	<b>18.05</b>	<b>6.8</b>
Advertising&Promotion	5.82	3.62	3.67	1.2
Depr.&Amortization	0.63	0.28	0.34	23.0
Other Marketing Exp.	12.01	5.77	5.89	2.1
Overhead&Gen.Admin	15.91	7.24	8.16	12.7
Net other operational inc. (exp.)*	(0.80)	(1.06)	0.22	n.m
<b>Operating Profit/(Loss)*</b>	<b>9.74</b>	<b>4.76</b>	<b>3.48</b>	<b>(26.9)</b>
<b>EBITDA**</b>	<b>11.84</b>	<b>6.50</b>	<b>3.95</b>	<b>(39.3)</b>
Financial Income, net	(0.40)	(0.24)	(0.13)	(46.3)
<b>Profit Bef.Tax</b>	<b>9.33</b>	<b>4.51</b>	<b>3.35</b>	<b>(25.8)</b>
Tax	(2.26)	(1.24)	(0.62)	(50.3)
<b>Net Profit/(Loss)</b>	<b>7.08</b>	<b>3.27</b>	<b>2.73</b>	<b>(16.5)</b>

(\*) Including TL 1.2 mn net court case accrual in 1H12. Operating profit /loss in FY12 have been reclassified in accordance with the Turkish Accounting Standards and Turkish Financial Reporting Standards under the Capital Markets Board's ("CMB").

(\*\*) Adjusted EBITDA by net IAS 39 impact and excluding net other operational inc./ (exp.).

<b>Million TL</b>	<b>2012</b>	<b>1H13</b>
Cash&Cash Equivalents	7.4	2.8
Short Term Bank Debt	-	-
Long Term Bank Debt	-	-
Net Cash (Net Debt)	7.4	2.8
<hr/>		
<b>Total Assets</b>	<b>64.0</b>	<b>61.9</b>
<b>Shareholder's Equity</b>	<b>40.6</b>	<b>35.7</b>
Investment	-	-

- Net cash position dropped TL 2.8 mn as of June 30, 2013, compared to TL 7.4 mn at 2012-end, due to cash dividend distribution.

- **Focus on existing portfolio in terms of content and conventional revenue channel.**
- **Launch of Geo in Mar'13 and Popular Science in May'12 will contribute positively to the total circulation in 2013.**
- **Feasibility studies for 360 degree magazine publishing including all digital channels for improving new revenue streams.**
- **Seeking opportunities for new brands both in local and licensed alternatives.**